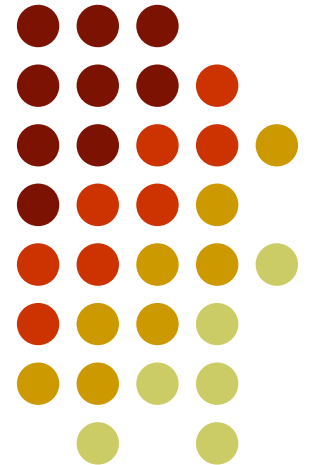


Indiana Brownfields Program

Indiana Brownfields Conference
April 11-12, 2006



What is a brownfield and how many are there in Indiana?



- A “brownfield” is defined as:
 - Parcel of real estate
 - Abandoned, inactive, or underutilized
 - Redevelopment is difficult due to real or potential environmental contamination
- Approximately 10,000 properties that may be considered brownfields
- No state inventory of brownfields currently exists

History of Indiana's Brownfields Program



- Enabling Legislation: SEA 360 (1997) and HEA 1909 (1999) – codified in IC 13-19-5
- Program has historically been administered by two separate State agencies:
 - IDFA: Fund manager, provided financial incentives and assistance
 - IDEM: Provided technical assistance and oversight
- IDFA and IDEM operated by MOU, but maintained separate staff, separate office locations, individual programs

Effects of SB 578



- Consolidation of staff and resources under the new IFA
- All state brownfields services will be offered from one Indiana Brownfields Program office
- Consolidation of Program under IFA reiterates focus of Program on economic development



Environmental Programs

Non-Environmental Programs

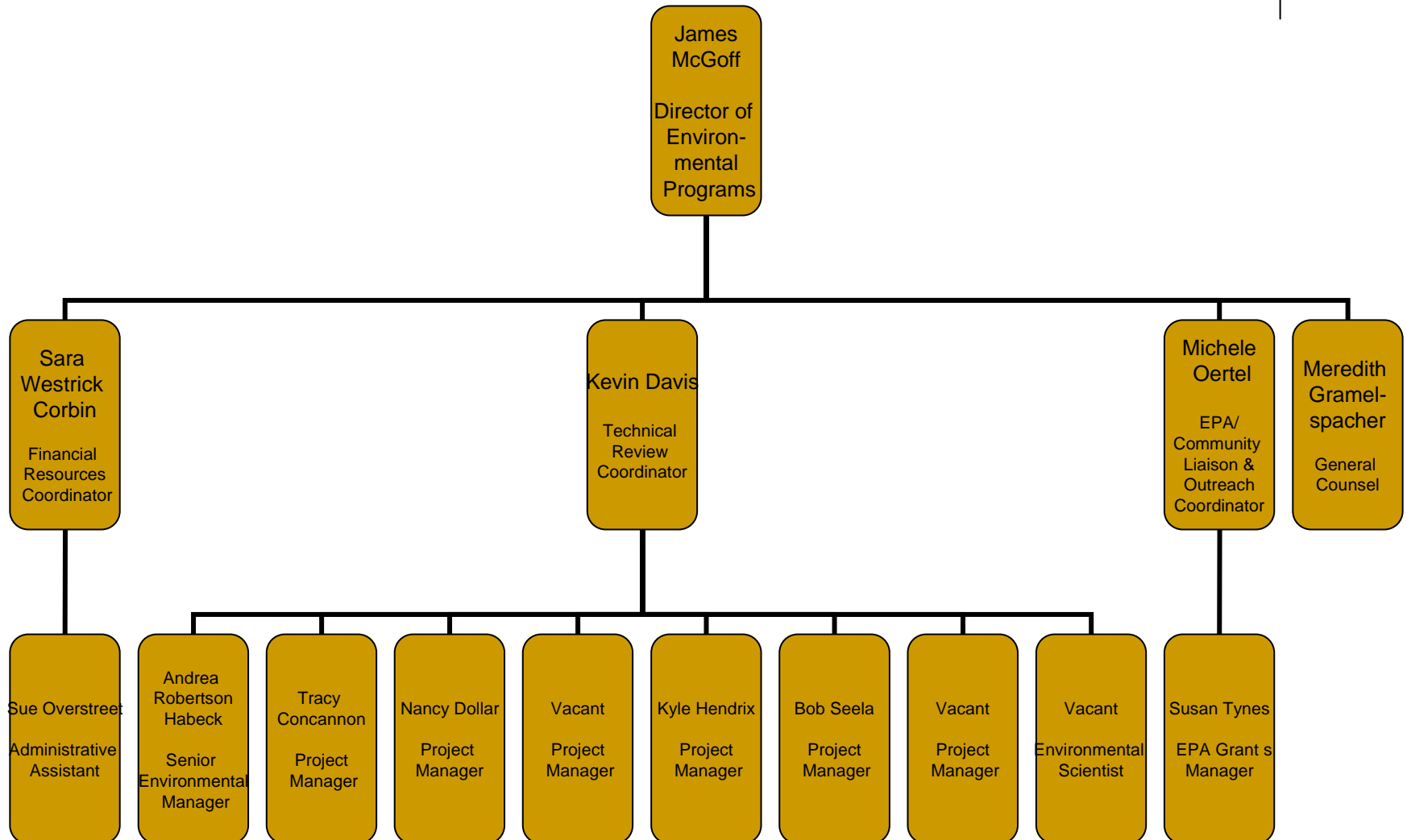


- Indiana Finance Authority Staff
- Indiana Dept. of Environmental Management Staff



- Indiana Finance Authority Staff
- Indiana Dept. of Environmental Management Staff

Brownfields Program Staff



What Does the Indiana Brownfields Program Offer?



- **Financial Incentives** – Environmental Remediation Revolving Loan Fund; Possible Federal Funding
- **Technical Resources** – Field Work Oversight, EPA Liaison/Reporting
- **Legal Assistance** – Liability Interpretations and Determinations
- **Education and Outreach** – Workshops, Trainings, Project-Specific Meetings



Current Financial Incentives

- **Environmental Remediation Revolving Loan Fund**
 - Stipulated Assessment Grants
 - Stipulated Remediation Grants
 - Low Interest Loans
 - Voluntary Remediation Tax Credits
 - Federal Grant Matching Incentive
 - Petroleum Remediation Grants
- **Brownfields Cleanup Revolving Loan Fund**

Financial Incentives



- **Stipulated Assessment Grants**

- Indiana Political Subdivisions eligible (co-applicants ok, with exceptions)
- Site assessment / investigation only
- Stipulations: investment & competitive bidding
- Competitive scoring criteria
- Maximum award = \$100,000
- A total of \$1 million available through June 30, 2006
- **Applications due March 1, 2006**

Indianapolis, Shell Bulk Oil (before)



Indianapolis, Shell Bulk Oil (after)



Financial Incentives



- **Stipulated Remediation Grants**

- Indiana Political Subdivisions eligible (co-applicants ok, with exceptions)
- Remediation of hazardous substances contamination only
- Stipulations: investment & competitive bidding
- Competitive scoring criteria
- Maximum award = \$300,000
- A total of \$1 million available through June 30, 2006
- **Applications due April 1, 2006**

Financial Incentives



- **Low-Interest Loans**

- Indiana Political Subdivisions eligible
 - Third party can access funding indirectly
- Remediation, demolition, limited assessment
- Possible 20% forgivable if:
 - Underground storage tank(s) onsite; **OR**
 - School or licensed child care facility within ½ mile of site
- Interest rates:
 - 2.5% for term less than 10 years
 - 3.0% for term 10-20 years
- Max loan award = up to 10% of Fund per applicant
- **Applications accepted on a rolling basis**
- Submit applications at <http://idfa.bravelo.com>

Madison, Madison Jr/Sr High School (before)



Madison, Madison Jr/Sr High School (after)



Madison, Madison Jr/Sr High School (after)



Financial Incentives



- **Voluntary Remediation Tax Credits**
 - Available to taxpayers who perform a voluntary remediation of a brownfield
 - Remediation does not have to be conducted under IDEM's Voluntary Remediation Program (VRP)
 - Maximum credit lesser of:
 - 100% of the first \$100,000 invested plus 50% of the next \$200,000; **OR**
 - \$200,000
 - A total of \$2 million available through December 31, 2006
- **Applications accepted on a rolling basis**
- Submit applications at <http://idfa.bravelo.com>

Financial Incentives



- **Federal Grant Matching Incentive**

- Indiana Political Subdivisions that receive federal brownfields funding eligible
- IFA will match up to twenty percent of an EPA grant award
- Maximum award = \$200,000 (maximum dependent upon type of EPA grant requested and ultimately awarded)
- A total of \$2 million available through December 31, 2006
- **Intent to apply to EPA must be submitted to the Indiana Brownfields Program prior to submitting grant request to EPA**

Financial Incentives



- **Petroleum Remediation Grants**

- Indiana Political Subdivisions eligible (co-applicants ok, with exceptions)
- Remediation of petroleum contamination only
- Ultimate goal is a No Further Action (NFA) Letter
- Competitive scoring criteria
- Maximum award = \$300,000
- **Applications due March 1, 2006, and on a rolling basis thereafter**
- Submit applications at <http://idfa.bravelo.com>

Tell City, Tell City Chair Company (before)



Tell City, Tell City Chair Company (before)



Tell City, Tell City Chair Company (before)



Tell City, Tell City Chair Company (during)



Tell City, Tell City Chair Company (during)



Financial Incentives



- Brownfields Cleanup Revolving Loan Fund (BCRLF)
 - \$1,000,000 grant to IDEM from EPA
 - Entire BCRLF amount was loaned to the City of South Bend for the Fredrickson Park landfill site
 - Indiana Brownfields Program staff working with EPA to determine future use of BCRLF funds that revolve back from South Bend

South Bend, Fredrickson Park (before)



South Bend, Fredrickson Park (before)



South Bend, Fredrickson Park (after)



South Bend, Fredrickson Park (after)



2005 Fiscal Year Activity



- Site Assessment Grants: **39, \$663,941**
- Remediation Loans: **3, \$2,250,000**
- Federal Matching Grants: **2, \$70,000**
- Petroleum Remediation Grants: **13, \$890,388**

- Total Grants: **\$1,624,329**
- Total Loans: **\$2,250,000**
- **Investment Leveraged: \$41.4 million**

Technical Assistance



- Grant/loan site oversight
- Certifications for Voluntary Remediation Tax Credit
- Liaison for U.S. EPA grant recipients
- Eligibility determinations for tax waiver process
- Assistance with related IDEM programs
 - Abandoned landfills and VRP programs
- Brownfield Environmental Assessments (*site assessments performed by Program staff*)

Legal Assistance



- Recommend the form of liability determination letter (i.e., comfort letters) based on statutory exemptions to liability (i.e., political subdivision remediating a brownfield) and IDEM enforcement discretion non-rule policy documents (i.e., contaminated aquifer policy)
- Assist technical staff with evaluation of “all-appropriate inquiry” and determination of “reasonable steps” for liability determination letters based on the bona fide prospective purchaser and contiguous property owner liability exemptions
- Negotiate environmental restrictive covenants for sites that require use restrictions or maintenance obligations based on contamination left in place and anticipated future use

Future Activities



- Continue Indiana Brownfields Program consolidation and restructuring
- Work to increase the number and amount of federal brownfields awards made to Indiana communities (EPA Revolving Loan Fund Grant has been submitted by the Indiana Brownfields Program)
- Work to move State-funded projects through the Program's process more efficiently
- Provide more resources to Indiana communities (Financial, Legal, Technical, Educational)
- Evaluate effectiveness of current financial incentives and revise as necessary

Contact Information



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